AMENDED IN ASSEMBLY APRIL 9, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 114

Introduced by Assembly-Member Members Salas and V. Manuel Pérez (Coauthors: Assembly Members Alejo, Brown, Gomez, Holden, Perea, and Quirk-Silva)

January 14, 2013

An act to add *Chapter 6 (commencing with Section 26240) to* Division 16.4 (commencing with Section 26225) to 16.3 of, and to repeal Section 26243 of, the Public Resources Code, relating to energy, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 114, as amended, Salas. Proposition 39: implementation: implementation: workforce development.

The California Clean Energy Jobs Act, an initiative approved by the voters at the November 6, 2012, statewide general election as Proposition 39, made changes to corporate income taxes and, except as specified, provides for the transfer of \$550,000,000 annually from the General Fund to the Clean Energy Job Creation Fund for 5 fiscal years beginning with the 2013–14 fiscal year. Moneys in the Clean Energy Job Creation Fund are available, upon appropriation by the Legislature, for purposes of funding eligible projects that create jobs in California, improving energy efficiency and expanding clean energy generation. Existing law, among other things, provides for allocation of available funds to job training and workforce development.

This bill would require the Employment Development Department, using funds made available from the Clean Energy Job Creation Fund

 $AB 114 \qquad \qquad -2 -$

for job training and workforce development purposes, to administer grants, no-interest loans, or other financial assistance for allocation to existing workforce development programs for the purposes of creating green energy jobs in California. The bill would require the California Conservation Corps, certified community conservation corps, YouthBuild, and other existing workforce development programs to give higher priority to disadvantaged youth and veterans who reside in an economically disadvantaged community or in a community with a higher unemployment rate than the statewide unemployment rate. The bill would make legislative findings and declarations Labor and Workforce Development Agency, in consultation with specified entities, to develop and implement the Clean Energy Jobs and Workforce Development Program to award grants to eligible entities, as defined, for projects to provide job training on energy efficiency and clean energy projects that are located in economically disadvantaged communities with a higher unemployment rate than the state unemployment rate. The bill would require the agency, after the first year of program implementation, to review and assess the effectiveness of the program, identify problems and barriers to achieving the workforce development goals of the act, and develop solutions to improve program performance. The bill would, for the 5 fiscal years beginning with the 2013-14 fiscal year, continuously appropriate to the agency an unspecified sum of money from the fund for the purposes of implementing the program, thereby making an appropriation.

Vote: majority. Appropriation: no-yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature finds and declares all of the 2 following:
- 3 (1) With the passage of the California Clean Energy Jobs Act
- 4 (Division 16.3 (commencing with Section 26200) of the Public 5 Resources Code) at the November 6, 2012, statewide general
- 6 election, the people of California declared their intent to transfer
- 7 five hundred fifty million dollars (\$550,000,000) annually, for
- 8 fiscal years 2013–14 to 2017–18, inclusive, for purposes of funding
- 9 energy efficiency projects in public schools, universities, and other
- 10 public facilities, for job training and workforce development, and
- 11 for specified public-private partnerships.

-3- AB 114

(2) The California Clean Energy Jobs Act also establishes the Citizens Oversight Board to review all expenditures from, to commission and review audits of, and to otherwise maintain accountability for the expenditure of, those funds.

- (3) California has some of the finest solar, wind, and geothermal resources in the world, giving California the opportunity to lead the United States in the development of renewable energy technologies and the creation of green collar jobs.
- (4) A 2006 analysis performed by the Renewable Energy Policy Project looked at the employment gains in the United States and found, of the 50 states, California has the greatest potential to generate renewable energy manufacturing activity.
- (5) In addition to renewable energy opportunities, California has also pioneered energy efficiency through appliances and utilization standards and continues to find new and innovative ways to reduce greenhouse gas emissions.
- (6) The California Workforce Investment Board, within the Labor and Workforce Development Agency, has established the Green Collar Jobs Council pursuant to Section 15002 of the Unemployment Insurance Code. The council is tasked with understanding the current and future workforce needs of the green and clean energy economy, developing a comprehensive strategy to prepare California's workforce to meet the needs of businesses supporting the economy, and ensuring that efforts aimed at improving workers' skills are coordinated and effective.
- (b) It is the intent of the Legislature in enacting this act to establish the Clean Energy and Jobs Workforce Development Program that would be administered by the Labor and Workforce Development Agency to oversee the implementation of the goal of the California Clean Energy Jobs Act related to job training and workforce development.
- SEC. 2. Chapter 6 (commencing with Section 26240) is added to Division 16.3 of the Public Resources Code, to read:

Chapter 6. Job Training and Workforce Development

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- 26240. For the purposes of this chapter, the following terms mean the following:
- 39 (a) "Agency" means the Labor and Workforce Development 40 Agency.

AB 114 —4—

(b) "Eligible entity" means the California Conservation Corps, certified community conservation corps, YouthBuild, and other organizations with existing workforce development programs to train and employ disadvantaged youth, veterans, and others on energy efficiency and clean energy projects.

- (c) "Program" means the Clean Energy Jobs and Workforce Development Program.
- 26241. (a) The agency shall develop and implement the Clean Energy Jobs and Workforce Development Program.
- (b) In developing and implementing the program, the agency shall do all of the following:
- (1) Establish and implement a procedure to set explicit goals, identify performance metrics, institute a data tracking system, and evaluate outcomes, including, quantity, quality, access, and the demographic and geographic distribution of workers trained by an eligible entity, particularly those in entry level jobs.
- (2) (A) Administer grants to eligible entities for the purposes of workforce development and job training on energy efficiency and clean energy projects.
- (B) The agency shall, in consultation with the Chancellor of the California Community Colleges, the State Department of Education, the State Energy Resources Conservation and Development Commission, and the Public Utilities Commission, develop a competitive process to award grants to eligible entities, and evaluate and select applications for grants.
- (3) Require an eligible entity receiving a grant pursuant to this chapter to submit to the agency an annual report on the quantity and quality of jobs created, including the wages and benefits, and the demographic and geographic profile of workers, the number of workers trained, the number of training completions, the cost of training per worker, the number and type of credentials and certificates awarded, number of trainees enrolled in state-certified apprenticeship programs, and the number of job placements for trainees.
- (c) (1) A project eligible for a grant pursuant to this chapter shall be located in an economically disadvantaged community with a higher unemployment rate than the state unemployment rate. The agency shall give priority to projects as following:

5 AB 114

(A) First priority to projects providing job training on energy efficiency and clean energy projects to disadvantaged youth, veterans, or persons current in military service.

- (B) Second priority to projects providing upgraded training on energy efficiency and clean energy projects to incumbent workers enrolled in, or graduated from, state-certified apprenticeship programs.
- (2) In awarding the grants, the agency shall give priority to projects that include one or more of the following elements:
- (A) Training to perform specific skills related to energy efficiency and clean energy that is embedded in, or linked to, a broader occupational training program.
- (B) Training that leads to industry-recognized credentials and certificates that, to the extent possible, provide college credits or are linked to credit-bearing programs.
- (C) Training that expands the utilization of state-approved apprenticeship programs and other learn-and-earn models that promote industry-recognized skills and credentials.
- (D) Training that demonstrates a high probability of placement of trainees into career track jobs.
- 26242. The agency shall, after the first year of implementation of the program, review and assess whether the program is achieving the job training and workforce development goals specified in this division, identify problems and barriers to achieve those goals, and provide solutions to improve program performance.
- 26243. (a) By July 1, 2015 and by each July 1 annually thereafter until July 1, 2018, the agency shall post on its Internet Web site, and, pursuant to Section 9795 of the Government Code, submit to the Legislature, a report that compiles the annual reports submitted by eligible entities receiving grants pursuant to this chapter.
- 33 (b) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2023.
- 35 26244. Notwithstanding Section 13340 of the Government 36 Code, the sum of ____ dollars (\$____) is, for the fiscal years
- 37 2013–14 to 2017–18, inclusive, hereby appropriated from the Job
- 38 Creation Fund to the agency for the purposes of implementing this
- 39 chapter.

AB 114 -6-

26245. Subject to subdivision (f) of Section 26206, this chapter does not affect the eligibility of an eligible entity to receive other incentives available from federal, state, or local government, or other public and private sources.

SECTION 1. The Legislature finds and declares all of the following:

- (a) With the passage of Proposition 39 at the November 6, 2012, statewide general election, the people of California declared their intent to provide up to five hundred fifty million dollars (\$550,000,000) annually, between the 2013–14 and 2017–18 fiscal years, for purposes of funding energy efficiency projects in public schools, universities, and other public facilities, and for job training and workforce development.
- (b) Proposition 39 establishes funding for the California Conservation Corps, certified community conservation corps, YouthBuild, and other existing workforce development programs to train and employ disadvantaged youth, veterans, and others relative to energy efficiency and clean energy projects.
- (e) California's unemployment rate is 10 percent, and the California economy has not recovered since the economic recession began in 2007.
- (d) Workforce development programs should receive funds to train unemployed Californians for green energy jobs.
- (e) It is the intent of the Legislature to establish guidelines for job training and workforce development to ensure that revenue in the Clean Energy Job Creation Fund is appropriately distributed for the purposes intended by voters.
- SEC. 2. Division 16.4 (commencing with Section 26225) is added to the Public Resources Code, to read:

DIVISION 16.4. PROPOSITION 39 IMPLEMENTATION

26225. From funds made available from the Clean Energy Job Creation Fund for job training and workforce development purposes, the Employment Development Department shall administer grants, no-interest loans, or other financial assistance for allocation to existing workforce development programs for the purposes of creating green energy jobs in California.

26230. In utilizing funds made available for job training and workforce development from the Clean Energy Job Creation Fund,

7 AB 114

- 1 the California Conservation Corps, certified community
- 2 conservation corps, YouthBuild, and other existing workforce
- 3 development programs shall give higher priority to disadvantaged
- 4 youth and veterans who reside in an economically disadvantaged
- 5 community or in a community with a higher unemployment rate
- 6 than the statewide unemployment rate.